

AMENDMENT ONE
TO THE MEMORANDUM OF UNDERSTANDING
AMONG THE
FEDERAL MINISTRY OF DEFENSE OF THE FEDERAL REPUBLIC
OF GERMANY
AND THE
MINISTRY OF DEFENSE OF THE REPUBLIC
OF ITALY
AND THE
DEPARTMENT DEFENSE
OF THE
UNITED STATES OF AMERICA
FOR THE
AGM-88 HIGH-SPEED ANTI-RADIATION
MISSILE (HARM) UPGRADE

Certified to be a true copy



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PREAMBLE

The Department of Defense of the United States of America and Minister of Defense of the French Republic, hereinafter referred to as the "Parties":

Having a common interest in defense;

Recognizing the benefits to be obtained from standardization, rationalization, and interoperability of military equipment;

Desiring to improve their respective conventional defense capabilities through the application of emerging technology;

Having a mutual need to assess the military utility of unmanned surface vehicles to satisfy operational requirements;

Having independently conducted studies, exploratory development, and testing of the applications of various technologies, recognize the benefits of cooperation in the SPARTAN Scout Advanced Concept Technology Demonstration;

Have agreed as follows:

ARTICLE I

DEFINITIONS

The Parties have agreed upon the following definitions for terms used in this Agreement:

ASW Module	Antisubmarine Warfare Module.
Classified Information	Official information that requires protection in the interests of national security and is so designated by the application of a security classification marking. It may be in oral, visual, magnetic, or documentary form, or in the form of equipment or technology.
Contract	Any mutually binding legal relationship under national law that obligates a Contractor to furnish supplies or services, and obligates one or both of the Parties to pay for them.
Contracting	The obtaining of supplies or services by Contract from sources outside the government organizations of the Parties. Contracting includes description (but not determination) of supplies and services required, solicitation and selection of sources, preparation and award of Contracts, and all phases of Contract administration.
Contracting Agency	The entity within the government organization of a Party that has authority to enter into, administer, and/or terminate Contracts.
Contracting Officer	A person representing a Contracting Agency of a Party who has the authority to enter into, administer, and/or terminate Contracts.
Contractor	Any entity awarded a Contract by a Party's Contracting Agency.
Controlled Unclassified Information	Unclassified information to which access or distribution limitations have been applied in accordance with applicable national laws or regulations. Whether the information is provided or generated under this Agreement, the information shall be marked to identify its "in confidence" nature. It could include information that has been declassified, but remains controlled.
Core System	Consists of rigid hull inflatable boat (RHIB), propulsion system, navigation system and radar, video camera, communication system, and command and control systems.

Defense Purposes	Manufacture or other use in any part of the world by or for the armed forces of any Party.
Designated Security Authority (DSA)	The security office approved by national authorities to be responsible for the security aspects of this Agreement.
Financial Costs	Project costs met with monetary contributions.
ISR/FP Module	Intelligence, Surveillance and Reconnaissance/Force Protection Module.
MIW Module	Mine Warfare Module.
Non-Financial Costs	Project costs met with non-monetary contributions.
Patent	Legal protection of the right to exclude others from making, using, or selling an invention.
Project	Specific collaborative activity described in this Agreement.
Project Equipment	Any material, equipment, end item, subsystem, component, Special Tooling or test equipment jointly acquired or provided for use in the performance of a Project.
Project Background Information	Information not generated in the performance of the Project.
Project Foreground Information	Information generated in the performance of the Project.
Project Information	Any information provided to, generated in, or used in the performance of the Project regardless of form or type, including, but not limited to, that of a scientific, technical, business, or financial nature, and also including photographs, reports, manuals, threat data, experimental data, test data, designs, specifications, processes, techniques, inventions, drawings, technical writings, sound recordings, pictorial representations, and other graphical presentations, whether in magnetic tape, computer memory, or any other form and whether or not subject to copyright, Patent, or other legal protection.
Project Invention	Any invention or discovery formulated or made in the course of work performed under a Project.

PS/ASuW Module	Precision Strike/Anti-Surface Warfare Module.
SPARTAN Scout	Unmanned Surface Vehicle (USV) consisting of a SPARTAN Core System and warfighting modules.
Third Party	A government other than the government of a Party and any person or other entity whose government is not the government of a Party.

ARTICLE II

OBJECTIVES

- 2.1. The objectives of this Agreement are:
 - 2.1.1. To enhance the interoperability of SPARTAN Scout, its modules and submodules between U.S. and French Navies;
 - 2.1.2. To demonstrate the military utility of a SPARTAN Scout consisting of an antisubmarine warfare (ASW) module to support the warfighter for Assured Access and Force Protection in the littorals;
 - 2.1.3. To demonstrate the military utility of a Nuclear, Biological and Chemical (NBC) submodule and an Object Avoidance (OA) submodule deployed on a SPARTAN Scout to support the warfighter in Assured Access and Force Protection in the littorals;
 - 2.1.4. To demonstrate the interoperability of the SPARTAN Scout equipped with an ASW module and with NBC and OA submodules in a coalition warfare environment; and
 - 2.1.5. To minimize or eliminate unnecessary risk to personnel and capital assets.

ARTICLE III

SCOPE OF WORK

3.1. The overall work to be undertaken under this Agreement includes:

- 3.1.1. Design, build and integrate an ASW warfighting module into the SPARTAN Core System and deliver to the U.S. Navy for military utility assessment during the residual period;
- 3.1.2. Develop and integrate an OA submodule to the core system and an NBC submodule to the ISR/FP module;
- 3.1.3. Test and evaluate the technical capabilities, including interoperability of the ASW module and OA and NBC submodules, including periodic experimentation such as Fleet and Joint Battle Experiments using CONOPS and scenarios;
- 3.1.4. Assess the interoperability of the ISR/FP module including the NBC submodule between the U.S. and French Navies;
- 3.1.5. *Develop and demonstrate combined concepts of operations for the SPARTAN Scout equipped with the ASW module and OA and NBC submodules;*
- 3.1.6. Conduct a combined military utility assessment, and incorporate assessment results and lessons-learned into follow-on development under this Project;
- 3.1.7. Exchange information among the parties during the residual support and transition phase; and
- 3.1.8. Assess potential additional capabilities for SPARTAN.

3.2. The sharing of tasks will be as follows:

3.2.1. The U.S. DoD shall:

- 3.2.1.1. Procure a SPARTAN core system(s) and technical support (as funded by France);
- 3.2.1.2. Provide architecture, technical and functional specifications, test and evaluation and operational assessment results regarding core system and modules (ISR/FP, MIW, and PS/ASuW);

- 3.2.1.3. Provide interface specifications between the core system and the modules and sub-modules (NBC and OA);
 - 3.2.1.4. Provide reports on extended user evaluation of ISR/FP, MIW, PS/ASuW, ASW, NBC and OA capabilities conducted during residual period; and
 - 3.2.1.5. Provide information on continued development, testing, operation and evaluation of SPARTAN.
- 3.2.2. The French MoD shall:
- 3.2.2.1. Develop and provide an ASW fully integrated mission capability and provide it to the U.S. for evaluation and operational use over a two-year residual period;
 - 3.2.2.2. Develop and provide NBC and OA submodules to the U.S. for evaluation and operational use over a two-year residual period;
 - 3.2.2.3. Provide technical support for the capabilities provided through the residual period. French residuals for use by the U.S. for the residual period include a SPARTAN USV and the ASW module and NBC and OA submodules;
 - 3.2.2.4. Conduct tests and evaluation of the capabilities provided and provide associated reports;
 - 3.2.2.5. Provide engineering support in the areas of unmanned vehicle navigation and control, communications, command and control system, underwater systems, and system integration/modularization of mission modules and experimentation and demonstration planning and French Navy assets for SPARTAN Test and Evaluation in France;
 - 3.2.2.6. Provide technical and functional specifications of French modules; and
 - 3.2.2.7. Provide reports on operational assessment results including extended user evaluation on SPARTAN national activities.
- 3.2.3. The U.S. DoD and the French MoD shall jointly:
- 3.2.3.1. Assess and recommend mission capabilities to be developed within the scope of this Project;
 - 3.2.3.2. Develop and conduct Military Utility Assessment (MUA);

3.2.3.3. Develop combined CONOPS and test plans;

3.2.3.4. Define and assess interoperability; and.

3.2.3.5. Explore follow-on opportunities to collaborate on USVs including command, control and communications.

3.3. The SPARTAN Scout prototypes and the warfighting mission modules shall be developed for the following demonstrations according to the following estimated schedule (subject to change):

Core system procurement	February 2004
Delivery of spiral 2 core system(s)	May/June 2004
Delivery of residuals to the OM (Operational Manager) for the MUA	1 September 2005
MUA exercise	September 2005
MUA report	1 February 2006
Residual period	1 October 2005 to 30 September 2007

ARTICLE IV

MANAGEMENT (ORGANIZATION AND RESPONSIBILITY)

4.1. This Agreement shall be directed and administered on behalf of the Parties by an organization consisting of one Steering Committee (SC) Co-Chairman, Project Officer (PO) and Operational Manager (OM) from each Party. The persons assigned to these positions are identified in Annex A, Management and Organizations.

4.2. The SC shall be responsible for:

- 4.2.1. providing policy and management direction to the POs and OM during Project execution;
- 4.2.2. monitoring overall Project implementation, including technical, cost, and schedule performance against requirements;
- 4.2.3. approving plans for transfers of Project Equipment or disposal of jointly acquired Project Equipment, in accordance with Article VII;
- 4.2.4. resolving issues brought forth by the POs;
- 4.2.5. maintaining oversight of the security aspects of the Project;
- 4.2.6. appointing a Project security officer; and
- 4.2.7. establishing the detailed financial procedures of the Project.

4.3. The POs shall have primary responsibility for effective implementation, efficient management and direction of the Project including technical, cost, and schedule performance against requirements. The POs shall also maintain a list of all Project Equipment transferred by either of the Parties.

4.4. The OM will oversee the conduct of the Military Utility Assessment of SPARTAN. The OM is responsible for:

- 4.4.1. developing the joint concept of operations;
- 4.4.2. preparing an integrated assessment plan incorporating the requirements of all the participating organizations;
- 4.4.3. coordinating and conducting the Project's military utility assessment; and

4.4.4. facilitating the system's transition to the force structure if so determined.

4.5. The SC and POs will meet as required, alternately in the United States and France. The Chairman for each meeting shall be the senior official of the host Party. During such meetings, all decisions will be made unanimously with each Party having one vote. In the event that the Parties are unable to reach a timely decision on an issue, each Party shall refer the issue to its higher authority for resolution. In the meantime, the Project shall continue without interruption under the direction of the POs while the issue is being resolved by higher authority.

4.6. France shall be invited to participate in SPARTAN ACTD activities, including meetings and demonstrations.

ARTICLE V

FINANCIAL ARRANGEMENTS

5.1. Each Party shall contribute its equitable share of the full Financial Costs and Non-financial Costs of the Project, including overhead costs, administrative costs, and costs of claims, and shall receive an equitable share of the results of the Project.

5.2. The cost of performance of the tasks under this Agreement shall not exceed the sum of U.S. \$9.95 million for the U.S. DoD and 13.2 million euros for the French MOD. Cooperative efforts of the Parties over and above the jointly agreed tasks set forth in Article III (SCOPE OF WORK) shall be subject to amendment to this Agreement.

5.3. The POs will be responsible for establishing the detailed financial management procedures under which the Project will operate. These procedures will be detailed in a financial management procedures document (FMPD) proposed by the POs and subject to the approval of the SC.

5.4. Both Parties shall perform, or have performed, their tasks and shall use their best efforts to perform the tasks within the Cost Ceiling specified in paragraph 5.2. and in Annex B, (Financial Matters). Both Parties shall bear the full costs they incur for performing, managing, and administering their own activities under this Agreement, including their share of the costs of any Contracts under paragraph 5.9.

5.5. The Non-financial contributions of the Parties are as follows:

5.5.1. The U.S. DoD shall provide the following non-financial contributions:

5.5.1.1. Functional design and interface specifications of the SPARTAN core system;

5.5.1.2. Background information on the ISR/FP, MIW and PS/ASuW modules developed and/or demonstrated with Singapore under a separate cooperative project; and,

5.5.1.3. In-fleet exercises and demonstrations to develop concepts of operations and other data on the ASW module.

5.5.2. The French MoD shall provide the following non-financial contributions:

5.5.2.1. Engineering support in the areas of unmanned vehicle navigation and control, communications, command and control system, underwater

systems as well as system integration/modularization of mission modules;
and,

5.5.2.2. Experimentation and demonstration planning and French Navy assets for SPARTAN Test and Evaluation in France.

5.6. Upon completion of the residual period, the core system including the OA submodule, the NBC submodule and the ASW module shall be returned to and become the property of the French MoD.

5.7. The following costs shall be borne entirely by the Party incurring the costs or on whose behalf the costs are incurred:

5.7.1. costs associated with any unique national requirements identified by a Party; and

5.7.2. any other costs not expressly stated as shared costs or any other costs outside the scope of this Agreement.

5.8. A Party shall promptly notify the other Party if available funds will not be adequate to fulfill its obligations as agreed under this Agreement. If it appears that the Cost Ceiling will be exceeded, the Parties shall immediately consult with a view toward continuation on a modified basis.

5.9. If one Party contracts on behalf of the other Party or on behalf of both Parties, each Party shall make funds available in the amounts and at the times set forth in the estimated schedule for monetary contributions, as specified in the FMPD.

5.10. The Parties recognize that, in performing Contracting responsibilities on behalf of the other Party, it may become necessary for the Contracting Party to incur contractual or other obligations for the benefit of the other Party prior to the receipt of the other Party's funds. In such event, the other Party shall make such funds available in such amounts and at such times as required by the Contract or other obligation and shall pay any damages and costs that may accrue from the performance or cancellation of the Contract or other obligation in advance of the time such payments, damages, or costs are due.

5.11. Each Party shall be responsible for the audit of its activities or its Contractors' activities pursuant to this Agreement. A Party's audits will be in accordance with its own national practices and the FMPD. Where funds are transferred between the Parties, the receiving Party shall be responsible for the internal audit regarding administration of the other Party's funds in accordance with the receiving Party's national practices. Audit reports of such funds shall be promptly made available by the receiving Party to the other Party.